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OGC HAS REVIEWED.

MEMORANDUM TO THE FILES:

SUBJECT: Allowances

- 1. I discussed the matter of granting separation allowances with the appropriate person in the State Department who is Miss Noreen, Room 1107, Extension 3680.
- 2. She informed me that the policy of the State Department was to treat the regulations with a certain amount of tolerance in favor of the individual, provided the allowance was not granted purely and simply for the selfish personal interest of the individual.
- 3. The question with which we are faced is whether a separation allowance can be granted to certain individuals at a post although other employees are permitted to bring their families with them. Under Section 7.2 a. of the SAR's, Miss Noreen informed me that allowances have been granted even though some families insisted on remaining at the post. Somewhat by the same tactics, under Section 7.2 b., conditions can be "notably unhealthful" or "excessively adverse" for one person where they are not for another. In the case where a child contracted polio, the post was not considered "notably unhealthful" simply because of the contraction, but a separation allowance was granted to the parents simply because appropriate medical facilities were not available for treatment of the child.
- 4. Section 7.2 c (1) appears to be perfectly clear, and Section 7.2 c. (2) has been utilized by State Department only where the dependent is persona non grata to the foreign power. In one rather interesting situation, where solution may be the key to our problem, the State Department granted a separation allowance to an individual who refused to accept the assignment unless he was permitted to leave his family at home and he reimbursed for the additional expense of maintaining two residences, At the time employment was undertaken, only a short tenure was anticipated. As a matter of fact the employee is now on his second year of duty. Miss Noreen was not aware of any exception which may have been taken by GAO in regard to this grant, although she indicated that Section 7.2 c. (2) was probably not cited as the justification for the allowance.

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- 5. In the situation, it appears as if it may well be possible to grant a separation allowance to those individuals who do not wish to take their families with them on the basis that they would not otherwise accept employment on the project.
 - 6. This should be discussed further with CFD.

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